For M

FOR MYSORE STATE

31 10 50.

Revenue (1950) Department.

MS SERIES.

G.O. NO. 25

Dated 5/1/50

[Despatch Abstract.]

Stamps — Stamp Vendors Abolition and replacement by Salaried clerks — Proposal Dropped

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Board of Revenue, Madras.
Subject.

STAMPS - Stamp vendors - Abolition - Proposal - Board's remarks - Submitted.

B.P.Mis.253 d.14--3--49.

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From

G.A. Ramakrishnan Esq., ICS,,
Jt. Secretary, Board of Revenue.

V.S.Hejmadi Esq., IC.S., Commr. of Civil Supplies, & Sep. Rev.

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Read:- From the Govt., Rev. Dept. Memo.No.38693 J/48-1 dated 31-7-48.
Reports from collectors of districts.
From Govt. Revs Dept. Memo.38693 J/48-2 d/16-8-48.

-:-:-

RESOLUTION:

1) With reference to their Memo first cited above calling for the remarks of the Board on the suggestion of the friend of the Popular Government to abolish the posts of stamp vendors and to appoint salaried clerks at the rate of 6 in each taluk for the sale of stamps, the Board after a detailed examination of the proposal submits the following remarks:-

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2) There are now 2689 stamp-vendors in the province each getting an average income of Rs.600/- per year based on the discount paid to them during the year 1947-48. If instead of a stamp-vendor, a lower division clerk is appointed it will cost Government about Rs.70 a month or 840 a year besides additional liability by way of leave salary, pension etc. It is quite obvious that there will be economy only if a smaller number of clerks than the present number of stamp-vendors is employed.

3) There are 588 Sub Registrar's offices in the whole presidency. In addition to there being a stamp-vending clerk at each of the Sub-Registrar's offices, a clerk will be necessary for each District Court, each Collector's office and a few Dt. Munsiff's Courts and Tk. Offices which are far away from the Sub-Registrar's office or where there are no Sub Registrar's offices. Even if the total number of whole time clerks is fixed at 1000, there will be a saving to Government. But the question whether by reducing the number of persons vending stamps from 2689 to 1000 the public will be inconvenience can be answered only by the public and perhaps only after some experience of the new experiment.

4. In these days of contracted revenues a proposal to save about 5 to 8 lakhs in stamp discount is prima-facie attractive, but there is bound to be a clamour from the existing stamp-vendors. From the general administrative points of view, it matters little who sells stamps - discount vendor or a salaried clerk - possibly a Government clerk will be a more satisfactory in some respects. But the clerks will have to furnish adequate security like shroffs in Sub Treasuries.

5. The Board suggests that the system of whole time salaried Government clerks to sell stamps may be tried in a few districts and to start with only about 1000 clerks may

P.T.O.

be appointed in the place of the existing stamp-vendors. It however considers that the number is likely to increase pretty soon as a result of public demand. It is therefore desirable to try the experiment first in the districts of East Godavari, Anantapur, Mathurai, Coimbatore and South Kanara to see what the public re-actions are in each region.

S/

6) B.P.R.Mis.372 (Stamp) dated 10-8-23 and B.P.R.Mis.288 dated 29-7-24 which were obtained from the Curator's office for the disposal of the Government Memo second cited above are submitted to the Government for their perusal and they may be returned to the Curator when no longer required. A copy of the Curator's letter No.1999 D.VII/48-1 dated 8th September 1948 is also submitted.

Sd. x x .
For Joint Secretary.

To The Secretary to Government, Rev.Dept., with a copy of the Curator's letter d/8th Sep.1948 and encls. (whole).
" The Curator, Madras Record Office, Chittoor (para 6 only).

Copy of letter No.1999-D-VII/48-1 d/8-9-48 from the Curator Madras Record Office, Chittoor.

Sub: Stamps - Stamp vendors - Abolition - Proposals.
Ref: Board's L.Dis.L.2774/48-11 dated 28th Aug.1948.

The question of substituting stamp vendors on fixed pay for licensed vendors was first raised by the Government in 1923 (Please see Revenue Dept.Memo.No.1999-D/22-2 d/1-5-1923 on page4 of B.P.R.372 Mis.(Stamp) d/10-3-1923). The matter was referred to a number of Collectors. All of them were against the change and the Board agreed with them. (Please see page 58 of the B.P. mentioned above and the earlier pages). In G.O.No.1426 Mis., d/21-9-1923 the Government passed orders upon this B.P. but no specific orders were passed in regard to this point. (Please see page 2 of B.P.R.No.288 Mis.(Stamps) d/29-7-1924). The discussions in the original file containing the Government order, however, show that the proposal was dropped by the Government. This G.O. will be sent through the Government if required.

2. The two B.Ps. mentioned above are furnished. The papers noted in the dockets of the B.Ps. have been examined, but they do not contain anything relating to the subject of the Board's reference. They are therefore, not sent. They will be sent, if required. The receipt of the two B.Ps. may kindly be acknowledged.

/True copy/

(Sd.) x x
For Joint Secretary.

/True Extract/

SUPERINTENDENT.

AVR.25-5.

REVENUE DEPARTMENT.

NOTE FOR THE CABINET.

Stamps - Stamp vendors - Abolition.

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There is at present one salaried vendor on Rs.100 and 4 vendors on Rs.65 each per mensem in the City of Madras. All the other stamp vendors get discount on the sales of stamps. The vendors are attached to Civil Courts, Registration Offices, Taluk Offices, etc. Some vendors are allowed to vend stamps from their houses.

2. The question of paying a fixed salary to stamp vendors instead of a discount was considered in 1922. All the nine Collectors who were consulted were against this change and the Board of Revenue agreed with them. There were obvious disadvantages in having stamp vendors on fixed pay, especially, in rural areas, the chief of them being --

(1) there will be no incentive to fresh sales and the public will therefore be inconvenienced,

(2) strict supervision over the vendors would be necessary, which in practice, would be difficult.

(3) malpractices were likely.

(4) considering the average income of vendors, vendors on fixed pay would not be financially advantageous to the Government unless the number of vendors was reduced whereas under the existing system the number of vendors was fixed with reference to the population in each district for the convenience of the Public. Fewer vendors would therefore cause inconvenience to the public.

(5) it was undesirable to add a fresh class to the army of Government servants.

3. It was pointed out to the Retrenchment and Re-organisation Committee in April 1948 that if the stamp vendors were abolished and in their places salaried clerks at the rate of six for each taluk were appointed to

P.T.O.

vend stamps, there would be a saving of about Rs.10lakhs per annum to Government. This proposal was not however supported by the Bar Association, Srivaikuntam, the Kumbakonam Civil Court Stamp Vendors' Union and the residents of Tanjore District.

4. The Board of Revenue which was asked to offer its remarks has stated that there are 2,689 stamp vendors in the province each getting an average income of Rs.600 per annum based on the discount paid during 1947-48, that if a lower division clerk is appointed, instead of a stamp vendor vendor it will cost Government about Rs.70 a month or Rs.840 a year, besides additional liabilities by way of leave salary, pension, etc. The Board also considers that in addition to there being a stamp vending clerk at each of the Sub-Registrar's Office, a clerk would be necessary for each District Court, each Collector's Office and a few District Munsiff's Courts and taluks which are away from the Sub-Registrar's Offices or where there are no Sub-Registrars. The Board has however suggested that the proposal may be tried in the districts of East Godavari, Anantapur, Mathurai, Coimbatore and South Kanara as an experimental measure to see what the public reactions are in each region. It has accordingly proposed to appoint 171 salaried stamp vendors in the selected districts.

5. The number of stamp vendors in the above districts was 413 in 1947-48 and the discount paid was Rs.2,86 lakhs and the average income for each was Rs.60 p.m. The cost of each salaried clerk on account of pay, dearness allowance, leave salary, etc., will be Rs.1,386. The cost of 171 clerks will thus be Rs.2.37 lakhs per annum. The saving on account of the abolition of stamp vendors will, according to the Board's proposal about Rs.49,000 per annum.

6. The proposal has been accepted in the Revenue, Home and Finance Departments. The Finance Department further satated that if the proposal was agreed to in circulation, it might be placed before the Cabinet for approval as it involved an important change in policy in regard to the matter of vending stamps to the public. It has been decided in circulation to accept the Board's proposal and to try the scheme for one year in the first instance. It is also proposed to ask the Board of Revenue to make a report on the working of the scheme sufficiently in time before the expiry of the year and after considering the report to make a decision regarding the continuance or extension of the time.

7. Orders of the Cabinet are now solicited as to whether the proposal of the Board of Revenue to appoint 171 salaried clerks as stamp vendors in the districts of East Godavari, Anantapur, Mathurai, Coimbatore and South Kanara may be tried for one year and the Board asked to report on the working of the scheme in time before the close of the year in order to arrive at a decision regarding the continuance or extension of the scheme.

/True Extract/

SUPERINTENDENT.

AVR.256

Strictly Confidential.

GOVERNMENT OF MADRAS.

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Meeting of the Council of Ministers held at Fort St. George, on Wednesday the 7th December 1949, at 11 A.M.

-:-:-

The Non'ble the Premier Presided.

Present:-- The Hon. Dr. T.S.S. Rajan
The Hon. Sri M. Bhaktavatsalam
The Hon. Sri B. Gopala Reddi
The Hon. Sri K. Madhava Menon
The Hon. Sri H. Sitarama Reddi
The Hon. Sri A.B. Shetty
The Hon. Sri K. Chandramouli
The Hon. Sri B. Parameswaran
The Hon. Sri N. Sanjiva Reddi
The Hon. Sri J.L.P. Roche Victoria.

AGENDA:-

6. Stamps - Stamp Vendors - Abolition.

ORDER:-

The question was dropped. No changes will be introduced.

K.R.N.
7-12-49.

P.S. Kumaraswami Rajah
PREMIER.

REVENUE DEPARTMENT.

/True Extract/

Copy for Mysore S.L.

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ABSTRACT.

STAMPS - Stamp Vendors - Abolition and replacement by Salaried clerks - Proposal - Dropped.

REVENUE DEPARTMENT.

G.O.MS.No.25. Dated 5th January '50.

:READ:

From the Board of Revenue, B.P.Mis.253 d/14-3-49.

The Government have considered the question of replacing stamp vendors by salaried clerks and have decided to drop the proposal.

(By Order of His Excellency the Governor)

K.M. UNNITHAN,
SECRETARY TO GOVERNMENT.

To
The Board of Revenue.

/True copy/

M.N. Nambiar
SUPERINTENDENT.

AVR.25-5.

Can't you find out the commission actually paid in these districts instead of the theoritical 50 Rs. p.m.

V.N.
11/8/49.

To A.S.

The commission actually paid in these five districts in 1947-48 was Rs.28,6473-6-8 - vide p.10 N.F. There were 413 stamp vendors in these districts in 1947-48. The average income for a stamp vendor was Rs. $\frac{286473}{413}$ - 693-8-0. Submitted that the figures for 1948-49 are not available.

K.V.M.
12-8-49.

The file relates to a suggestion for the abolition of the posts of stamp vendors and the appointment of salaried clerks in their places.

2. The number of non-official stamp vendors in each district should be at least 5 to every 100,000 of the population. There is at present one salaried vendor on Rs.100 and 4 vendors on Rs.65 each per mensem in the City of Madras. All the other stamp vendors get discount on the sales of stamps. The rates of discount now allowed are as shown in the statement at (C). The vendors are attached to Civil Courts, Registration offices, Taluk Offices, etc. Some vendors are allowed to vend stamps from their houses.

3. The question of paying a <u>fixed salary</u> to stamp vendors instead of a discount was considered in 1922. All the 9 Collectors who were consulted were against this change and the Board agreed with them. There were obvious disadvantages in having stamp vendors on fixed pay, especially, in rural areas, the chief of them being --

P.T.O.

(1) there will be no incentive to push sales and the public might therefore suffer inconvenience,

(3) malpractices were likely,

(2) strict supervision over the vendors would be necessary, which in practice would be difficult,

(4) considering the average income of vendors, vendors on fixed pay would not be financially advantageous to the Government unless the number of vendors was reduced whereas under the existing system the number of vendors was fixed with reference to the population in each district for the convenience of the public. Fewer vendors would therefore cause inconvenience to the public.

(5) it was undesirable to add a fresh class to the army of Government servants.

3. A "Friend of the Popular Government" addressed a letter to the Chairman of the Retrenchment and Re-organisation Committee in which he pointed out that if the stamp vendors were abolished and in their place salaried clerks at the rate of 6 for each taluk were appointed to vend stamps, there would be a saving of about Rs.10 lakhs per annumto Government. The Committee asked for certain statistics from the Board of Revenue. Before, however, complete information could be obtained from the Board, the Committee had concluded its sittings. The file was therefore transferred to this Department for further action, if necessary.

4. Representations were also received from the following:-

(1) <u>The Bar Association, Srivaikuntam</u>: The Association pointed out that the proposal to appoint salaried clerks to vend stamps was not feasible as the people were at present being effectively served by the existing stamp vendors and the proposal would result in a considerable hardship to the public as they would be constrained to buy stamps only during office hours and deprived of the facility of purchasing stamps whenever required.

(ii) TheKumbakonam Civil Court Stamp Vendors' Union requested that the present system be not abolished and that in case the Government ultimately decided to abolish the system, suitable provision might be made to the Civil Court stamp vendors who would be deprived of their livelihood,

(iii) The residents of Tanjore district also represented to the Government the inconvenience of substituting stamp vendors on commission by salaried stamp vendors and requested that the existing system be allowed to continue.

5. The Board of Revenue was asked to specifically offer its remarks on the proposal. The Board reported that there were 2,689 stamp vendors in the Province each getting an average income of Rs.600 per annum based on a discount paid during 1947-48; that if a lower division clerk was appointed instead of a stamp vendor it would cost Government about Rs.70 a month or Rs.840 a year, besides additional liabilities by way of leave salary, pension, etc., and that it was quite obvious that there would be economy, only if a small number of clerks than thepresent number of stamp vendors was employed. The Board also considered that in addition to there being a stamp vending clerk at each of the Sub-Registrars Offices a clerk was necessary for each district court, each Collector's office and a few district munsiffs' courts and taluk offices which were away from the Sub-Registrars' offices or where there were no Sub-Registrars. The Board stated that from the general administrative point of view it it mattered little who sold the stamps., the stamp vendor or a salaried clerk and that possibly a Government clerk would be more satisfactory in some respects. Of course, the salaried clerks would have to furnish adequate security like the shroffs in sub-treasuries. The Board suggested that whole-time salaried Government clerks to sell stamps might be tried in the district of East Godavari,

P.T.O.

Anantapur, Madura, Coimbatore and South Kanara as an experimental measure to seewhat the public reactions were in each region. The Board accordingly proposed to appoint 171 salaried stamp vendors in the selected districts.

6. The number of stamp vendors in the above d districts was 413 in 1947-48 and the discount paid was Rs.2,86 lakhs. The average incomeper stamp vendor was about Rs.60 per mensem. The cost of each salaried clerk on account of pay, dearness allowance, leave salary, etc., will be Rs.1,386-0-0. The cost of 171 clerks will thus be Rs.2.37 lakhs per annum. The saving on account of the abolition of the stamp vendors will according to the Board's proposal be about Rs.49,000 per annum.

7. The question for consideration is whether a reduction of stamp vendors can be made as proposed by the Board. According to the Standing Orders, the number of stamp vendors that should be appointed is 495 having reference to the population of the 5 districts and the actual number is only 413. To reduce the number to 171, that is, below half the prescribed strength will undoubtedly cause public inconvenience and raise an outcry. If the number is reduced to say 280 there will be no savings at all. Further, the present system of employing stamp vendors with commission has been in vogue for a number of years in this Province and the replacement of stamp vendors by salaried clerks may throw out of employment a large number of men. There will also be no savings if a fairly large number of salaried clerks is appointed than that recommended by the Board. In the circumstances it is for consideration whether it is worthwhile to pursue the proposal even as an experimental measure.

8. The remarks of Home and Finance may be invited before circulation.

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'B'

This should not be a very materials consideration Perhaps 'B' above is material. We can however watch the reactions in that regard by starting the new arrangement experimentally in a few districts as suggested by the Board. The Boards' proposal may be approved.

M.V.S.
25-8-49

HOME (F) DEPARTMENT.

The Revenue Department's notes from XX on p.19 ante may be perused. This Department may agree with the views of the Revenue Secretary at Z on p.22 ante. The file may be passed on to the Finance Department.

Home, U.O.
No.81282 F/49-1
1-9-1949.

Thro' E. Section.

FINANCE (E.II) DEPT.

The file deals with the proposal for the replacement of stamp Vendors by L.D. clerks. The notes of Revenue from XX on p.19 above which set out the case in detail may be perused. As an experimental measure, it is proposed to give effect to the scheme in five districts, viz., East Godavari, Anantapur, Mathurai, Coimbatore and South Kanara. Although the cost per clerk is estimated at ~~Rs~~ Rs.115-8-0 p.m., against the average cost of Commission earned by Stamp Vendor, viz. Rs.50 p.m., the experimental scheme is expected to result in a saving of about Rs.49,000 p.a., since it is proposed to appoint 171 clerks only against 413 stamp vendors employed during 1948. From the financial point of view, Finance need not object to the proposal which is supported by Revenue and agreed to by Home.

If this scheme is agreed to in circulation, the proposal may be placed before the Cabinet for approval as it involves an important change in policy in the method of vending stamps to the public.

Fin. U.O.
57069 E-2/49
2.9.49

P.T.O.

REVENUE DEPARTMENT.

To. A.S.

The file deals with the proposal for the replacement of stamp vendors by lower division clerks. The notes from XX on p.19 ante which set out the case in detail may be perused. The Bd.'s report on pp.46-47 c.f. may also be perused. The Bd.'s recommendation is to give effect to the scheme as an experiment in five districts viz., E. Godavari, Anantapur, Mathurai, Coimbatore and South Kanara. The experimental scheme is expected to result in a saving of about Rs.49,000/- per annum. This Dept. propose to accept the proposal of the Bd. of Rev. The Home and the Fin. Depts. agree The Fin. Dept. have suggested that if the scheme is agreed to in circulation, the proposals may be placed before the cabinet for approval as it involves an important change in policy in regard to the method of vending stamps to the public.

For orders whether the Board's proposal may be accepted and if so, whether it may be placed before the Cabinet.

If the Board's proposal is acceptable, it may be tried for oneyear in the first instance. The Board may be asked to make a report on the working of the scheme sufficiently in time berore the expiry of the year and, after considering the report, a decision may be taken regarding the continuance or extension of the scheme.

Orders are also requested whether the whole question will be discussed in Cabinet.

To A.S.

Please see notes and orders in circulation on p.24 above. A draft note for the Cabinet is submitted for approval. Chief Secretary & Finance may see before circulation.

Rev. U.O.No.53276 K/49-1
25-10-49.

FINANCE E2.

Previous Finance note on p.23 above.

The draft note for the Cabinet may be perused and the file passed on to Chief Secretary.

Fin. U.O.No.

70922 E.II/49-1
28-10-49.

REVENUE DEPARTMENT.

To A.S.

The file may now be circulated to H.M. (L.R.) for approval of the draft note for the Cabinet.

Rev.54165 K
29-10-49.

To A.S.

Please see orders in consultation on p.25 ante.

2. The draft note for the Cabinet has since been issued. The file may now be sent to the Pub (Spl.) Dept. for use at the Cabinet meeting.

Rev. U.O.No.
38693 K/49-2
11-11-49.

To A.S.

Please see the notes from p.24 ante the note for the Cabinet on pp.71-72 c.f. and also decision of the Cabinet on p.74 c.f.

2. The file deals with the proposal for the replacement of Stamp Vendors by salaried clerks. The Cabinet considered the matter and dropped the question. The Board of Revenue may be informed of it.

3. Subject to orders a draft order is submitted for approval.

/True Extract/

M.V. Bharathy
SUPERINTENDENT.

Compared by:-
1) P.K.K. Menon 20/5
2) V. Ramadoss